REMARKS

Applicants request favorable reconsideration and allowance of the present application in view of the foregoing amendments and the following remarks.

The Office Action did not indicate whether the proposed drawing amendments submitted in the Request for Approval to Amend the Drawings filed May 31, 2000. In accordance with the revised practice regarding amendment of drawings, attached hereto are two replacement sheets of formal drawings incorporating those proposed drawing amendments. The amendments insert an "S" below the word --INFORMATION— in blocks 12 and 22 of Fig. 2, and correct the reference numeral "206) to --212— in Fig. 19. Favorable consideration is requested.

Claims 38-73 are pending in the present application. Claims 38-41 are the independent claims. Claims 1-37 have been canceled without prejudice.

Claims 38-42 have been amended and new Claims 43-73 have been added.

Applicants submit that support for these amendments can be found in the original disclosure, and therefore no new matter has been added.

Claims 1-6, 8-10, 12-17, 20-26, 28-34, and 37-42 stand rejected under 35 U.S.C. §102(b) as being unpatentable over U.S. Patent No. 5,499,294 (<u>Friedman</u>). The remaining dependent claims were rejected under 35 U.S.C. §103 as being obvious over <u>Friedman</u>. Applicants respectfully traverse these rejections for the reasons discussed below.

As recited in independent Claim 38, the present invention includes, *inter alia*, the feature of a calculation unit adapted to perform a predetermined calculation using a digital image and confidential information. Applicants submit that the cited art fails to

disclose or suggest at least this feature. Independent Claims 39-41 each recite a similar feature.

The Office Action asserts that "textual information (e.g., serial number, date, time, GPS location, etc.") of <u>Friedman</u> corresponds to the claimed confidential information. However, such information is not confidential. Accordingly, Applicants submit that <u>Friedman</u> fails to disclose or suggest at least the feature of performing a predetermined calculation using a digital image and confidential information.

For the foregoing reasons, Applicants submit that independent Claims 38-41 are patentable over the cited art. The dependent claims are believed patentable for at least the same reasons as the independent claims, as well as for the additional features they recite.

For the foregoing reasons, Applicants submit that this application is in condition for allowance. Favorable reconsideration, withdrawal of the rejections set forth in the above-mentioned Office Action, and an early Notice of Allowance are requested.

Applicants' undersigned attorney may be reached in our Washington, DC office by telephone at (202) 530-1010. All correspondence should continue to be directed to our below-listed address.

Respectfully submitted,

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